



Employees' Retirement System Communicator

October 2013

No. 10

Contact Information

Employees' Retirement System

In the Milwaukee area:

414-278-4207

Toll Free: 877-652-6377

Email: ers@milwcnty.com.

Life & Health Benefits

Phone: 414-278-4198.

Email: benefits@milwcnty.com

Newly Retired Members

September Retirees

Sandra Baumgartner

Donita Brezovar

James Bronk

Janet Dobbs

Kathleen Dyszelski

Debra Habeck

Ersol Henry

Sheila Hills

Charlotte Hutchins

Mary Janik

Ricky Lemke

Helen Lococo

Barbara Lockett

Sam Marjanov

Carol Michalski

David Polk

Patricia Rebey

Theodore Robinson

Faye Simon

From the Desk of the ERS Manager

Dear Milwaukee County Retirees,

Falling leaves and temperatures, shorter days — are you ready for the changes? As we get ready to spend more time indoors than out, Fall is a good time to make sure homes continue to be safe — replace the fire alarm and carbon monoxide detector batteries, replace the furnace filters, clean the chimney, bring in the hose and turn off the outside water taps, etc. These are all things on my list. Are you doing the same? And don't forget to turn back the clocks at 2 a.m. on Sunday, November 3.

The Pension Board welcomes a new Retiree Board Member in November. Marilyn Mayr returns as the retiree representative. Marilyn was the Director of Audits from 1982 until 1995 when she retired. Before that she was at the County Institutions as Deputy Director-Fiscal and also at the Department of Administration in various positions. Marilyn also has the distinction of being the first retiree to serve on the board. Welcome back Marilyn!

Many thanks go to Mr. D.A. Leonard for his service on the Board representing and supporting our retirees' interests and also his guidance, support and insight on employee interests and concerns. Good luck D.A.!

If you have questions, comments or concerns regarding your pension or health care benefits, please let us know. Contact us by email at ERS@milwcnty.com. We will respond as quickly as possible. We have local (414-278-4207) and toll-free (877-652-6377) phone numbers. Both have an automated menu for your convenience.

Marian Ninneman
ERS Manager

SOCIAL SECURITY — THE BIG PICTURE

By Vivian Aikin

If you're like most people, you probably think you have a fairly good understanding of what Social Security is. The Social Security Administration's recently released publication, *"Fast Facts & Figures About Social Security,*

Employees' Retirement System Communicator

October 2013

No. 10

2013", contains some interesting details about our country's most universal social insurance program that you may not be aware of.

Taxes are not the only revenue source for Social Security

Contrary to what you often hear and read in the media, Social Security is doing just fine financially for now. Social Security's 2 largest programs, retirement and disability (collectively known as OASDI), took in revenue of \$840.2 billion in 2012. Only 84% of it came from the payroll taxes paid by workers and employers. Interest earned on Social Security's trust fund special issue Treasury bonds provided 13%. 3% came from income taxes paid on benefits. In fact, the trust fund's assets actually rose 6.5% in 2012 because income exceeded the cost of benefits and administration. Actuaries predict it will happen again in 2013. Tax revenue for the program has fallen short of costs since 2010, but Social Security earned more than \$100 billion on its trust bonds last year at interest rates around 4%.

Social Security isn't just for old folks

There are 3 main programs operated by Social Security:

- Retirement (Old Age and Survivors Insurance - OASI)
- Disability Insurance (SSDI)
- Supplemental Security Income (SSI)

All 3 programs pay out some benefits to people who are under the traditional retirement age. In 2012 about 79% of benefits went to people over age 62. About 15% of recipients were people aged 18 to 61 receiving benefits as disabled workers, survivors or dependents. The remaining 6% of recipients were children under age 18.

SSDI in particular currently distributes benefits to a younger population than it used to. The average age of a disabled worker beneficiary in 2012 was 53.2 compared to 57.2 in 1960. The biggest reason for this change is that aging baby boomers (now 49 to 67 years old) are moving into ages when disability is more likely. This year the program is paying benefits to 9 million disabled workers. Disability payments play a key role in Social Security's long-range financial challenge.

Women receive more benefits

Fifty-five percent of all adults receiving Social Security benefits in 2012 were women. The reason is simple: since women generally outlive men, they are around longer to collect benefits. Historically, however, fewer women have qualified for Social Security retirement coverage. That is because of their lower participation rate in the labor force due to child-rearing responsibilities and other similar factors. 40 quarters of work are required before you become covered under the program. In 2012 90% of the male population was covered. As women's participation in the labor force increased, their coverage has also surged. In 2012 84% were fully covered, up from just 63% in 1970.

Employees' Retirement System Communicator

October 2013

No. 10

Benefits aren't exactly lavish

The Social Security program began in the 1930s as an effort to reduce the vulnerability of the elderly, widows and children in light of extreme poverty brought on by the Depression. Those who want to cut Social Security benefits often talk as though the benefits are cushy. For example, a Congressman recently warned that Social Security benefits, if not cut back, "will transform our social safety net into a hammock."

Yet, the average Social Security benefit in 2012 was \$1,262 a month or \$15,144 annually. Compare that to the 2012 poverty rate of \$11,720 for a single person (per the United States Census Bureau). The long-term sustainability of Social Security presents a significant challenge requiring serious discussion, not glib talking points.

For most, it's crucial

Social Security provides the bulk of retirement income for most Americans. In 2011, it represented at least half of total income for 52% of couples and three-fourths of total income for single seniors. Even more dramatic, it provided 90% or more of income for 22% of couples and 45% of singles. The relative importance of Social Security to the aged population cannot be overstated.

Some other interesting facts

- The Social Security administration paid some type of benefit or assistance to about 61.9 million people in 2012.
- Social Security benefits were awarded to about 5.7 million people last year.
- In 2012, 86% of SSI recipients received payments due to disability or blindness.
- More than 3.4 million children under age 18 and students aged 18-19 received OASDI benefits last year.

To download a copy of "Fast Facts & Figures About Social Security, 2013" go to: http://www.ssa.gov/policy/docs/chartbooks/fast_facts/2013/fast_facts13.pdf

From the Benefits Department

Meet with a UnitedHealthCare Representative

A UnitedHealthCare representative has been available to answer questions regarding services, explanation of benefits and billing questions at different Milwaukee County facilities this year. Please see the schedule below for the time and location of the remaining meeting. We hope this has been a helpful service!

12/11/13	Wednesday	9:00am - 1:00pm	Washington Park Senior Center 4420 W Vliet St - Meeting Room 2
----------	-----------	-----------------	---

Employees' Retirement System Communicator

October 2013

No. 10

Staff Tips

Looking at ways to keep more money in your pocket? Pension Counselor, Theresa Velazquez, offers the following.

Retirement can bring on challenges, both expected and unexpected. If not prepared, the financial aspect of retirement can be quite stressful and nerve-wracking. We know and anticipate the expected monthly costs but may not always consider those unexpected expenses that drain our pockets and frustrate our lives.

We offer some ideas here that may help you save on the expected expenses which may help make room in your pocket for those stressful and nerve-wracking unexpected ones.

- AARP offers discounts for vision, hearing, prescriptions, and fitness services.
- ShopAtHome.com offers printable coupons for groceries and household items. To view and print the coupons, simply log on to <http://www.shopathome.com/grocery-coupons>.
- Assurance Wireless (a division of Virgin Mobile) offers a *Federal Lifeline Assistance* program that, if you qualify, provides a free phone with up to 250 free talk minutes and 250 free texts. Log on to <http://www.assurancewireless.com> see if you qualify.
- Amtrak Everyday —15% discount on adult rail fare with some exclusion. Ages 62+
- Best Western — at least 10% off regular room rates. Ages 55+

Buying a subscription to the local Sunday paper can also come in handy. The Sunday paper usually includes a large variety of coupons. If you shop at a grocery store that offers double coupon days, those manufacturer coupons can really save you a buck or two.

In Memoriam

Please keep the families of these recently deceased retirees in your thoughts:

*Barbara Dane
Warren Englund
Robert Fischer
Janean Gauthier
Esther Hussey
June Kubiak*

*Mark Leroux
Vivian Meltz
Eugene Sabinash
Georgiana Schlicht
Donald Steinmetz
Julius Wiskowski*